

CITY OF AUBURN, KANSAS

Year Ended December 31, 2012

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CITY OF AUBURN, KANSAS
Year Ended December 31, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council
City of Auburn, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Auburn, Kansas, as of and for the year ended December 31, 2012 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the

To the Mayor and City Council
City of Auburn, Kansas

Auditors' Responsibility (Continued)

reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Auburn to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Auburn as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Auburn as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2012 financial statement as a whole. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, schedule of cash receipts and expenditures-agency funds, (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2012 financial statement. Such information is the responsibility of management and the 2012 supplementary

To the Mayor and City Council
City of Auburn, Kansas

Report on Supplementary Information (Continued)

information was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 financial statement. The 2012 information has been subjected to the auditing procedures applied in the audit of the 2012 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2012 financial statement or to the 2012 financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2012 financial statement as a whole.

Groff & Berry

June 7, 2013

CITY OF AUBURN, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended December 31, 2012

Funds	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add:	
					Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 54,273	\$ 315,350	\$ 295,243	\$ 74,380	\$ 5,493	\$ 79,873
Special Purpose Fund:						
Special highway fund	83,905	114,890	154,645	44,150	35	44,185
Bond and interest fund:						
Bond and interest fund	66,165	173,752	170,884	69,033	-	69,033
Capital project fund:						
Capital improvement reserve	239,193	34,094	45,273	228,014	-	228,014
Business funds:						
Sewer utility fund	374,126	194,009	160,986	407,149	897	408,046
Gas utility fund	807,867	753,211	772,062	789,016	89,954	878,970
Sewer replacement fund	88,605	7,650	-	96,255	-	96,255
Total business funds	\$ 1,270,598	\$ 954,870	\$ 933,048	\$ 1,292,420	\$ 90,851	\$ 1,383,271
Total financial reporting entity (excluding fiduciary funds)	\$ 1,714,134	\$ 1,592,956	\$ 1,599,093	\$ 1,707,997	\$ 96,379	\$ 1,804,376
Composition of cash:						
Cash in bank, Landmark National Bank						\$ 666,635
Cash in bank, CoreFirst Bank						270
Certificate of deposit, Landmark National Bank						924,971
Certificate of deposit, Kaw Valley Bank						222,345
Total cash						\$ 1,814,221
Less: Agency funds per Schedule 3						9,845
Total financial reporting entity (excluding fiduciary funds)						\$ 1,804,376

The accompanying notes are an integral part
of this financial statement.

CITY OF AUBURN, KANSAS
NOTES TO FINANCIAL STATEMENT

1 - Summary of Significant Accounting Policies

a. Reporting Entity

The City of Auburn, Kansas is a municipal corporation governed by an elected six-member council. The financial statement presents the City of Auburn, Kansas as the primary government. There are no component units.

b. Regulatory Basis of Fund Types

General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project fund - used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

Trust fund - funds used to report assets held for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency fund - funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

c. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

CITY OF AUBURN, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

c. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America (Continued)

The City has approved a resolution in compliance with K.S.A. 75-1120a (c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

d. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds, (unless specifically exempted by statute), bond and interest funds, capital project fund, business funds and fiduciary funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budget amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

CITY OF AUBURN, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

1 - Summary of Significant Accounting Policies (Continued)

d. Budgetary Information (Continued)

A legal operating budget is not required for capital project funds and agency and trust funds. Spending in funds which are not subject to the legal annual operating budget requirements are controlled by Federal regulations, other statutes or by the use of internal spending limits established by the governing body.

e. Vacation Benefits

Under the terms of the City's personnel policy, City employees are granted vacation leave in varying amounts. These unrecorded accrued vacation leave benefits are not expected to have a material impact on the financial statements in any one year.

2 - Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk-deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the Government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has not designated "peak periods." All deposits were legally secured at December 31, 2012.

CITY OF AUBURN, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)2 - Deposits and Investments (Continued)

At December 31, 2012, the City's carrying amount of deposits was \$ 1,814,221 and the bank balance was \$ 1,825,671. The bank balance was principally held by one bank resulting in a concentration of credit risk. Of the total bank balance, \$ 486,404 was covered by federal depository insurance, \$ 1,339,267 was collateralized with securities held by the pledging financial institution's agents in the City's name, with a market value of approximately \$ 1,816,087.

3 - Long-term Debt

The following is a detailed listing of the City's long-term debt:

<u>Issued</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
Revolving loans:				
Water pollution control	3.00%	06-23-99	\$ 1,049,203	09-01-20
Sewer improvement	2.51%	09-01-08	477,767	09-01-28
General obligation bonds, Series 2005A	3.65% - 4.06%	12-01-05	335,000	12-01-26
General obligation bonds, Series 2006A	3.65% - 5.40%	12-01-06	355,000	12-01-17

Changes in long-term liabilities for the City for the year ended December 31, 2012 were as follows:

<u>Issued</u>	<u>Balance, Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance, End of Year</u>
Revolving loans:					
Water pollution control	\$ 520,733	\$ -	\$ 54,646	\$ (54,646)	\$ 466,087
Sewer improvement	418,307	-	20,006	(20,006)	398,301
General obligation bonds, Series 2005A	260,000	-	15,000	(15,000)	245,000
General obligation bonds, Series 2006A	<u>235,000</u>	<u>-</u>	<u>35,000</u>	<u>(35,000)</u>	<u>200,000</u>
Total long-term debt	<u>\$ 1,434,040</u>	<u>\$ -</u>	<u>\$ 124,652</u>	<u>\$ (124,652)</u>	<u>\$ 1,309,388</u>

CITY OF AUBURN, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)3 - Long-term Debt (Continued)

Annual debt service requirements to maturity for principal and interest on the revolving loans payable at December 31, 2012 are as follows:

<u>Year</u>	<u>Revolving Loans Payable</u>		
	<u>Principal</u>	<u>Interest and Service Fee</u>	<u>Total</u>
2013	\$ 76,904	\$ 23,456	\$ 100,360
2014	79,126	21,234	100,360
2015	81,413	18,947	100,360
2016	83,767	16,593	100,360
2017	86,189	14,171	100,360
2018 - 2022	288,747	37,312	326,059
2023 - 2027	138,425	13,476	151,901
2028	<u>29,817</u>	<u>560</u>	<u>30,377</u>
Total	<u>\$ 864,388</u>	<u>\$ 145,749</u>	<u>\$ 1,010,137</u>

Annual debt service requirements to maturity for principal and interest on GO Bonds, Series 2005A, at December 31, 2012 are as follows:

<u>Year</u>	<u>GO Bonds, Series 2005A</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 15,000	\$ 10,888	\$ 25,888
2014	15,000	10,340	25,340
2015	15,000	9,650	24,650
2016	15,000	8,960	23,960
2017	15,000	8,270	23,270
2018 - 2022	90,000	30,350	120,350
2023 - 2026	<u>80,000</u>	<u>8,800</u>	<u>88,800</u>
Total	<u>\$ 245,000</u>	<u>\$ 87,258</u>	<u>\$ 332,258</u>

CITY OF AUBURN, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)3 - Long-term Debt (Continued)

Annual debt service requirements to maturity for principal and interest on GO Bonds, Series 2006A, at December 31, 2012 are as follows:

<u>Year</u>	<u>GO Bonds, Series 2006A</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 35,000	\$ 7,647	\$ 42,647
2014	35,000	6,335	41,335
2015	40,000	5,005	45,005
2016	45,000	3,465	48,465
2017	<u>45,000</u>	<u>1,733</u>	<u>46,733</u>
Total	<u>\$ 200,000</u>	<u>\$ 24,185</u>	<u>\$ 224,185</u>

4 - Interfund Transfers

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General fund	Capital improvements reserve	K.S.A. 40-234	\$ 34,094
Sewer utility fund	Sewer replacement fund	K.S.A. 12-825d	7,650
Sewer utility fund	GO bond and interest fund	K.S.A. 12-825d	95,241

5 - Defined Benefit Pension Plan

The City of Auburn, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

CITY OF AUBURN, KANSAS

NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Defined Benefit Pension Plan (Continued)

Funding Policy. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or a Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increased in the employer contribution rates.

6 - Commitments

During January 2010, the City entered into a written agreement with the Nebraska Public Gas Agency to purchase natural gas. The contract expires on March 31, 2013 and was subsequently renewed for one year.

7 - Contingencies

In the normal course of operations, the City receives grant funds from various State and Federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

8 - Subsequent Events

Management has reviewed subsequent events through June 7, 2013.

CITY OF AUBURN, KANSAS
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2012

CITY OF AUBURN, KANSAS
SUMMARY OF CASH EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

(BUDGETED FUNDS ONLY)

For the Year Ended December 31, 2012

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Favorable (Unfavorable)
General fund	\$ <u>354,883</u>	\$ <u>-</u>	\$ <u>354,883</u>	\$ <u>295,243</u>	\$ <u>59,640</u>
Special Purpose fund:					
Special Highway fund	<u>164,347</u>	<u>-</u>	<u>164,347</u>	<u>154,645</u>	<u>9,702</u>
Bond and Interest fund:					
Bond and Interest fund	<u>240,999</u>	<u>-</u>	<u>240,999</u>	<u>170,884</u>	<u>70,115</u>
Business funds:					
Sewer Utility fund	411,365	-	411,365	160,986	250,379
Gas Utility fund	1,446,326	-	1,446,326	772,062	674,264
Sewer Replacement fund	<u>96,255</u>	<u>-</u>	<u>96,255</u>	<u>-</u>	<u>96,255</u>
Total Business funds	\$ <u>1,953,946</u>	\$ <u>-</u>	\$ <u>1,953,946</u>	\$ <u>933,048</u>	\$ <u>1,020,898</u>

See Independent Auditor's Report

CITY OF AUBURN, KANSAS

GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Taxes and shared revenue:			
Ad valorem property tax	\$ 73,709	\$ 75,488	\$ (1,779)
Delinquent	3,410	-	3,410
Motor vehicle	17,431	18,908	(1,477)
Recreational vehicle	231	307	(76)
16/20M vehicle	266	340	(74)
Sales tax	181,480	166,560	14,920
Race track sales tax	92	-	92
Fines	11,098	8,000	3,098
Licenses and permits	3,358	710	2,648
Franchise tax	6,307	6,096	211
Reimbursements	7,230	632	6,598
Rent	5,450	19,500	(14,050)
Interest	1,949	1,760	189
Fees from fines	2,006	1,500	506
Other	<u>1,333</u>	<u>-</u>	<u>1,333</u>
Total cash receipts	<u>315,350</u>	<u>\$ 299,801</u>	<u>\$ 15,549</u>
Expenditures:			
Personal services	157,003	\$ 160,180	\$ 3,177
Contractual services	73,158	87,956	14,798
Commodities	13,299	18,767	5,468
Capital outlay	10,827	44,154	33,327
Other	6,862	4,000	(2,862)
Transfer - capital improvements reserve	<u>34,094</u>	<u>39,826</u>	<u>5,732</u>
Total expenditures	<u>295,243</u>	<u>\$ 354,883</u>	<u>\$ 59,640</u>
Receipts over (under) expenditures	20,107		
Unencumbered cash, beginning	<u>54,273</u>		
Unencumbered cash, ending	<u>\$ 74,380</u>		

See Independent Auditor's Report.

CITY OF AUBURN, KANSAS

SPECIAL PURPOSE FUND

SPECIAL HIGHWAY FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
State payments	\$ 31,880	\$ 31,130	\$ 750
County payments	23,718	22,120	1,598
Interest	645	260	385
Sales tax	<u>58,647</u>	<u>44,950</u>	<u>13,697</u>
Total cash receipts	<u>114,890</u>	<u>\$ 98,460</u>	<u>\$ 16,430</u>
Expenditures:			
Contractual services	18,393	\$ 5,557	\$ (12,836)
Commodities	4,717	11,755	7,038
Capital outlay	<u>131,535</u>	<u>147,035</u>	<u>15,500</u>
Total expenditures	<u>154,645</u>	<u>\$ 164,347</u>	<u>\$ 9,702</u>
Receipts over (under) expenditures	(39,755)		
Unencumbered cash, beginning	<u>83,905</u>		
Unencumbered cash, ending	<u>\$ 44,150</u>		

See Independent Auditor's Report.

CITY OF AUBURN, KANSAS

BOND AND INTEREST FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Ad valorem property tax	\$ 52,242	\$ 53,501	\$ (1,259)
Delinquent	719	-	719
Motor vehicle	3,703	3,966	(263)
Recreational vehicle	49	64	(15)
16/20M vehicle	121	71	50
Transfer from sewer utility	95,241	95,241	-
Special assessments	<u>21,677</u>	<u>21,677</u>	<u>-</u>
Total cash receipts	<u>173,752</u>	<u>\$ 174,520</u>	<u>\$ (768)</u>
Expenditures:			
Bond principal	124,651	\$ 124,651	\$ -
Bond interest	46,233	45,969	(264)
Cash basis reserve	<u>-</u>	<u>70,379</u>	<u>70,379</u>
Total expenditures	<u>170,884</u>	<u>\$ 240,999</u>	<u>\$ 70,115</u>
Receipts over (under) expenditures	2,868		
Unencumbered cash, beginning	<u>66,165</u>		
Unencumbered cash, ending	<u>\$ 69,033</u>		

See Independent Auditor's Report.

CITY OF AUBURN, KANSAS

CAPITAL PROJECT FUND
CAPITAL IMPROVEMENTS RESERVE FUND (NOT BUDGETED)
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the Year Ended December 31, 2012

	<u>Actual</u>
Cash receipts:	
Transfer from general fund	\$ <u>34,094</u>
Total cash receipts	<u>34,094</u>
Expenditures:	
Capital outlay	<u>45,273</u>
Total expenditures	<u>45,273</u>
Receipts over (under) expenditures	(11,179)
Unencumbered cash, beginning	<u>239,193</u>
Unencumbered cash, ending	\$ <u><u>228,014</u></u>

See Independent Auditor's Report.

CITY OF AUBURN, KANSAS

BUSINESS FUNDS

SEWER UTILITY FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
User fees	\$ 190,908	\$ 201,166	\$ (10,258)
Interest	<u>3,101</u>	<u>2,104</u>	<u>997</u>
Total cash receipts	<u>194,009</u>	<u>\$ 203,270</u>	<u>\$ (9,261)</u>
Expenditures:			
Personal services	30,281	\$ 33,580	\$ 3,299
Contractual services	24,210	26,261	2,051
Commodities	3,604	3,633	29
Capital outlay	-	245,000	245,000
Transfer to sewer replacement fund	7,650	7,650	-
Transfer to GO bond and interest fund	<u>95,241</u>	<u>95,241</u>	<u>-</u>
Total expenditures	<u>160,986</u>	<u>\$ 411,365</u>	<u>\$ 250,379</u>
Receipts over (under) expenditures	33,023		
Unencumbered cash, beginning	<u>374,126</u>		
Unencumbered cash, ending	<u>\$ 407,149</u>		

See Independent Auditor's Report.

CITY OF AUBURN, KANSAS

BUSINESS FUNDS
GAS UTILITY FUNDSCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Consumer sales	\$ 718,603	\$ 1,000,000	\$ (281,397)
Penalties and connection fees	3,301	3,090	211
Sales tax	11,783	14,000	(2,217)
New installations	3,039	-	3,039
Reimbursements	8,464	-	8,464
Interest	5,909	4,374	1,535
Miscellaneous	<u>2,112</u>	<u>100</u>	<u>2,012</u>
Total cash receipts	<u>753,211</u>	<u>\$ 1,021,564</u>	<u>\$ (268,353)</u>
Expenditures:			
Personal services	209,485	\$ 233,191	\$ 23,706
Contractual services	43,942	71,111	27,169
Commodities	23,777	24,669	892
Gas	477,547	1,019,986	542,439
Sales tax	11,815	14,769	2,954
Refunds	2,146	2,500	354
Property tax	174	6,000	5,826
Capital improvements	3,173	74,000	70,827
Interest paid	<u>3</u>	<u>100</u>	<u>97</u>
Total expenditures	<u>772,062</u>	<u>\$ 1,446,326</u>	<u>\$ 674,264</u>
Receipts over (under) expenditures	(18,851)		
Unencumbered cash, beginning	<u>807,867</u>		
Unencumbered cash, ending	<u>\$ 789,016</u>		

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CITY OF AUBURN, KANSAS

BUSINESS FUNDS

SEWER REPLACEMENT FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance - Favorable (Unfavorable)
Cash receipts:			
Transfer from sewer utility	\$ <u>7,650</u>	\$ <u>7,650</u>	\$ <u>-</u>
Total cash receipts	<u>7,650</u>	<u><u>7,650</u></u>	<u><u>-</u></u>
Expenditures:			
Capital outlay	<u>-</u>	\$ <u>96,255</u>	\$ <u>96,255</u>
Total expenditures	<u>-</u>	<u><u>96,255</u></u>	<u><u>96,255</u></u>
Receipts over (under) expenditures	7,650		
Unencumbered cash, beginning	<u>88,605</u>		
Unencumbered cash, ending	\$ <u><u>96,255</u></u>		

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CITY OF AUBURN, KANSAS

AGENCY FUND
SUMMARY OF CASH RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2012

<u>Fund</u>	<u>Beginning Cash Actual</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Meter Deposit Fund	\$ <u>9,770</u>	\$ <u>3,868</u>	\$ <u>3,793</u>	\$ <u>9,845</u>

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